

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
Vertex Telecom, Inc.)	File No.: EB-IHD-19-00030086
)	FRN: 0012427522
)	
)	
Vertex SSX, Inc.)	File No.: EB-IHD-19-00030086
)	FRN: 0012142691
)	
)	Account No.: 202132080033
)	

ORDER

Adopted: August 13, 2021

Released: August 13, 2021

By the Chief, Enforcement Bureau:

1. Unauthorized transfers of federally granted authorizations pursuant to section 214 of the Communications Act of 1934, as amended (Act), circumvent the Federal Communications Commission's ability to determine whether such transfers are in the public interest, convenience, and necessity. Among the factors the Commission considers in its public interest review is whether transfers raise national security, law enforcement, foreign policy, or trade policy concerns, and whether transferees have the requisite qualifications to hold Commission licenses. The Commission's review process includes seeking the expertise of relevant Executive Branch agencies.¹

2. For these reasons, unauthorized transfers of section 214 authorizations are illegal. The Enforcement Bureau (Bureau) of the Federal Communications Commission and Vertex Telecom, Inc. and Vertex SSX, Inc. (collectively Vertex) have entered into a Consent Decree to resolve its review of whether Vertex violated section 214 of the Act and sections 63.03, 63.04, and 63.24 of the Commission's rules. These violations pertain to the sale of 100% of each company's stock to Dr. Peng Holding, Inc., a subsidiary of Dr. Peng Telecom and Media Group, Ltd., a publicly traded Chinese company (Dr. Peng), without the requisite approvals from the Commission's Wireline Competition Bureau and International Bureau. In connection with previous Commission proceedings, interested Executive Branch agencies have raised concerns about Dr. Peng's past compliance with U.S. laws when acquiring U.S. telecommunications assets. Given the seriousness of this matter, during the pendency of the Commission's investigation, Vertex reconstituted its board of directors and senior management to only include individuals approved by the U.S. Departments of Justice, Commerce, and Treasury and terminated relationships with anyone that was an employee, officer, director, agent, other representative, or affiliate of Dr. Peng. Now, to resolve this matter, Vertex admits that it failed to obtain the Commission's approval prior to transferring its section 214 authority and agrees to divest all ownership interests that are held by Dr. Peng, discontinue its remaining FCC regulated activities, surrender all of its

¹ See Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership, IB Docket 16-155, Report and Order, 35 FCC Rcd 10927 (2020). See also Rules and Policies on Foreign Participation in the U.S. Telecommunications Market; Market Entry and Regulation of Foreign-Affiliated Entities, IB Docket Nos. 97-142 and 95-22, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23918-19, paras. 61-63 (1997) (Foreign Participation Order), *recon. denied*, 15 FCC Rcd 18158 (2000).

FCC authorizations, and pay a civil penalty.

3. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree and terminating the referenced review regarding Vertex's compliance with the Commission's rules² pertaining to unauthorized transfers of control and assignments of licenses.

4. Accordingly, **IT IS ORDERED** that, pursuant to section 4(i) of the Act,³ and the authority delegated by sections 0.111 and 0.311 of the Commission's rules,⁴ the attached Consent Decree **IS ADOPTED** and its terms incorporated by reference.

5. **IT IS FURTHER ORDERED** that the above-captioned matter **IS TERMINATED**.

6. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be sent by first class mail and certified mail, return receipt requested, to Paul Besozzi, Esq. and Robert Stup, Esq. Squire Patton Boggs LLP, 2550 M Street N.W. Washington, D.C. 20037.

FEDERAL COMMUNICATIONS COMMISSION

Rosemary C. Harold
Chief
Enforcement Bureau

² 47 CFR §§ 63.03 and 63.24.

³ 47 U.S.C. § 154(i).

⁴ 47 CFR §§ 0.111, 0.311.

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CONSENT DECREE

1. The Enforcement Bureau of the Federal Communications Commission, Vertex Telecom, Inc. and Vertex SSX, Inc., by their authorized representatives, hereby enter into this Consent Decree for the purpose of terminating the Enforcement Bureau's Investigation, as defined below, into whether two affiliated companies, Vertex Telecom, Inc. and Vertex SSX, Inc. (collectively Vertex), violated the Commission's rules related to the sale of 100% of each company's stock to Dr. Peng Holding, Inc., a subsidiary of Dr. Peng Telecom and Media Group, Ltd., a publicly traded Chinese company (Dr. Peng), without the requisite approvals from the Commission's Wireline Competition Bureau and International Bureau.

I. DEFINITIONS

2. For the purposes of this Consent Decree, the following definitions shall apply:
- (a) "Act" means the Communications Act of 1934, as amended.¹
 - (b) "Adopting Order" means an order of the Bureau adopting the terms of this Consent Decree without change, addition, deletion, or modification.
 - (c) "Company" or "Vertex" means both Vertex Telecom, Inc. and Vertex SSX, Inc. and each company's affiliates, subsidiaries, predecessors-in-interest, and successors-in-interest. Where the two companies are referred to individually as "Vertex Telecom, Inc." and "Vertex SSX, Inc." the terms refer to the respective company and each company's affiliates, subsidiaries, predecessors-in-interest, and successors-in-interest.
 - (d) "Dr. Peng" means Dr. Peng Holding, Inc., a subsidiary of Dr. Peng Telecom & Media Group, Ltd., a publicly traded Chinese company and its affiliates, subsidiaries, predecessors-in-interest, and successors-in-interest.
 - (e) "Jim Chiu" and "Sean Lin," collectively "Sellers" means the shareholders of both Vertex Telecom, Inc. and Vertex SSX, Inc. who together transferred 100% of the stock in each company to Dr. Peng.

¹ 47 U.S.C. § 151 *et seq.*

- (f) “Bureau” means the Enforcement Bureau of the Federal Communications Commission.
- (g) “Commission” and “FCC” mean the Federal Communications Commission and all its bureaus and offices.
- (h) “Communications Laws” means collectively, the Act, the rules, and the published and promulgated orders and decisions of the Commission to which Vertex is subject by virtue of its business activities, including but not limited to the Section 214 Rules.
- (i) “Effective Date” means the date by which both the Bureau and Vertex Telecom have signed the Consent Decree.
- (j) “Investigation” means the investigation commenced by the Bureau in EB-IHD-19-00030086 regarding whether Vertex violated the Section 214 Rules.
- (k) “LOI” means the Letter of Inquiry issued by the Bureau to Vertex on November 26, 2019, investigating potential violations of the Section 214 Rules related to the transfer of control of Vertex’s authorizations to provide domestic and international service, prior to receiving approval from the Commission’s Wireline Competition Bureau (WCB) and International Bureau (IB).
- (l) “Parties” means Vertex and the Bureau, each of which is a “Party.”
- (m) “Rules” means the Commission’s regulations found in Title 47 of the Code of Federal Regulations.
- (n) “Section 214 Rules” means section 214 of the Act and other provisions of the Act, the Rules, and Commission orders related to the construction, acquisition, operation, or transmission of lines of communication, including any Rules implementing section 214 and any related Commission orders.

II. BACKGROUND

3. Section 214 of the Act requires telecommunications carriers to obtain a certificate of public convenience and necessity from the Commission before constructing, acquiring, operating, or engaging in the transmission of common carrier communications services over communications lines, and before discontinuing, reducing, or impairing service to a community.² In accordance with sections 63.03, 63.04, and 63.24 of the Rules, any “substantial” transfer of control of a carrier’s lines or of Section 214 authority requires application to and prior approval from the Commission.³ Sections 63.04 and 63.18 of the Rules set forth the information that must be included in the domestic and international transfer of control applications.⁴

² See 47 U.S.C. § 214(a). In 1999, the Commission granted all telecommunications carriers blanket authority under Section 214 to provide domestic interstate services and to construct or operate any domestic transmission line. See 47 CFR § 63.01(a) (“Any party that would be a domestic interstate communications common carrier is authorized to provide domestic, interstate services to any domestic point and to construct or operate any domestic transmission line as long as it obtains all necessary authorizations from the Commission for use of radio frequencies.”).

³ 47 CFR §§ 63.03 and 63.24. A transfer of control of domestic lines or of a domestic Section 214 authority is considered “substantial” if it results in a change in ultimate ownership or control of those lines or that authority. See 47 CFR § 63.03(d). A transfer of control of international lines or of an international Section 214 authority is considered “substantial” if it results in a change in the actual controlling party of those lines or that authority. 47 CFR § 63.24(a).

⁴ See 47 CFR §§ 63.04, 63.18. The Commission has explained that the International Section 214 review process enables the Commission to review applications for risks to competition, particularly in situations where the applicant has an affiliation with a foreign carrier with market power on the foreign end of the route that may be able to

(continued....)

4. Vertex Telecom, Inc. is the holder of International Section 214 authorization ITC-214-19980226-00152 and a Domestic Section 214 authorization by operation of rule.⁵ Vertex Telecom, Inc. provides telecommunications services to small and medium-sized businesses and enterprises under the VTX Telecom brand. It also provides low-cost international calling options to individuals through prepaid calling cards, as well as smartphone apps, under the DynaSky brand.

5. Vertex SSX, Inc., the holder of International Section 214 authorization ITC-214-20041117-00464, was established to provide, *inter alia*, wholesale telecommunication services but did not commence the provision of any telecommunications services and never had any telecommunications customers. It had been dormant since 2016 having ceased operations and was dissolved as of December 30, 2019.⁶ It surrendered its International Section 214 authorization by letter dated on January 25, 2021.⁷

6. On April 28, 2015, Jim Chiu and Sean Lin, agreed to sell 100% of the stock of Vertex Telecom, Inc. and Vertex SSX, Inc. to Dr. Peng Holding.⁸ The transfer was completed on March 31, 2016. Neither Vertex Telecom, Inc. nor Vertex SSX, Inc. sought prior Commission approval for this transfer.⁹ Vertex asserts that the transaction occurred without the assistance of telecommunications counsel.¹⁰

7. On November 26, 2019, the Bureau issued a letter of inquiry (LOI) regarding the matters referenced above.¹¹ On January 6, 2020, Vertex filed its response to the LOI.¹²

leverage that market power to discriminate against U.S. competitors to the detriment of U.S. consumers. *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market*, IB Docket 97-142, 95-22, Report and Order and Order on Reconsideration, FCC 97-398, 12 FCC Rcd 23891 (1997) (“*Foreign Participation Order*”); Order on Reconsideration, FCC 00-339, 15 FCC Rcd 18158 (2000). The Commission also considers national security, law enforcement, foreign policy and trade policy in its public interest review of an application and will seek input from the Executive Branch on these issues. *Id.* at 23918-21, paras. 61-66. *See also Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket 16-155, Report and Order, 35 FCC Rcd 10927 (2020).

⁵ 47 CFR § 63.01. In 1999, the Commission granted all telecommunications carriers blanket authority under Section 214 to provide domestic interstate services and to construct or operate any domestic transmission line. *Implementation of Section 402(b)(2)(A) of the Telecomm. Act of 1996*, Report and Order in CC Docket No. 97-11, Second Memorandum Opinion and Order in AAD File No. 98-43, 14 FCC Rcd 11364, 11365-66, para. 2 (1999) (“*Section 402 Implementation Order*”); 47 C.F.R. § 63.01. This authority does not extend to the provision of international services. *See Section 402 Implementation Order*, 14 FCC Rcd at 11365-66, para. 2.

⁶ *See* Letter from Paul C. Besozzi and Robert E. Stup, Jr., Squire Patton Boggs, counsel for Vertex, to Marlene Dortch, Secretary, FCC (Mar. 23, 2020).

⁷ *See* Letter from Robert E. Stup, Jr., Squire Patton Boggs, counsel for Vertex SSX Corporation, to Marlene Dortch, Secretary, FCC (Jan. 25, 2021).

⁸ *See* Letter from Paul C. Besozzi and Robert E. Stup, Jr., Squire Patton Boggs, counsel for Vertex Telecom, Inc., to Marlene Dortch, Secretary, FCC (Jan. 6, 2020) at 4.

⁹ *Id.* at 1, 6.

¹⁰ *Id.* at 1.

¹¹ *See* Letter from Jeffrey Gee, Chief, Investigations and Hearings Division, Enforcement Bureau, FCC to Jim Chiu, Vertex Telecom, Inc. (Nov. 26, 2019).

¹² The Response was submitted in accordance with an extension of time granted on December 23, 2019. *See* Letter from Paul C. Besozzi and Robert E. Stup, Jr., Squire Patton Boggs, counsel for Vertex Telecom, Inc., to Marlene Dortch, Secretary, FCC (Jan. 6, 2020). Supplemental responses were filed on March 23, 2020 (*See* Letter from Paul C. Besozzi and Robert E. Stup, Jr., Squire Patton Boggs, counsel for Vertex, to Marlene Dortch, Secretary, FCC (Mar. 23, 2020)).

8. Effective February 24, 2020, Dr. Peng Holding, Inc., Dr. Peng Telecom & Media Group, Ltd., Vertex Telecom, Inc., and the U.S. Government, represented by the U.S. Departments of Justice, Commerce, and Treasury entered into a

] related to Dr. Peng's ownership of Vertex. As part of the [] Vertex reconstituted its board of directors and senior management to only include individuals approved by the U.S. Departments of Justice, Commerce, and Treasury. The U.S. government-approved board and senior management include Mr. Chiu and Mr. Lin, as well as a Chief Executive Officer responsible for overall day-to-day management of the company, all of whom are independent from Dr. Peng. In addition, Vertex terminated relationships with anyone that was an employee, officer, director, agent, other representative, or affiliate of Dr. Peng. Finally, Vertex's compliance with the [] has been monitored by an U.S. government-approved third-party security monitor.

9. The Parties negotiated the terms and conditions of this settlement and hereby enter into this Consent Decree as provided below.

III. TERMS OF AGREEMENT

10. **Adopting Order.** The provisions of this Consent Decree shall be incorporated by the Bureau in an Adopting Order.

11. **Jurisdiction.** Vertex agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree and has authority to enter into and adopt this Consent Decree.

12. **Effective Date.** The Parties agree that this Consent Decree shall become effective on the Effective Date as defined herein. As of the Effective Date, the Parties agree that this Consent Decree shall have the same force and effect as any other order of the Commission.

13. **Termination of Investigation.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate the Investigation. In consideration for the termination of the Investigation, Vertex agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that, in the absence of new material evidence, it will not use the facts developed in the Investigation through the Effective Date, or the existence of this Consent Decree, to institute, on its own motion, any new proceeding, formal or informal, or take any action on its own motion against Vertex concerning the matters that were the subject of the Investigation.

14. **Discontinuation of Services.** Vertex will voluntarily discontinue the Company's services, including the Company's prepaid calling card services, offered under the Company's Section 214 authorizations, including, but not limited to, international Section 214 authorization ITC-214-19980226-00152 and the blanket domestic Section 214 authorization held by the Company.¹³ Vertex further agrees that prior to discontinuing the aforementioned services it will comply with all applicable Commission rules governing service discontinuance and provide all affected customers at least 30 days' notice of service discontinuance. No such discontinuance shall occur until the Commission has authorized it pursuant to the processes mandated in sections 63.19 and 63.71 of the Commission's rules.¹⁴

¹³ Vertex sold the calling cards to distributors in California, which in turn activate the cards when they are sold to individual customers. The cards were valid for six months from the date of first use. Vertex ceased distributing cards to distributors on March 1, 2021, and stopped allowing sale and new activations by the distributors on April 30, 2021.

¹⁴ 47 CFR §§ 63.19; 63.71. On June 29, 2021, Vertex filed an application to discontinue domestic prepaid calling card service under section 63.71 of the Commission's rules, and amended that application on July 21, 2021, stating that it had technical issues that initially prevented it from activating a voice recording and providing the website notice to customers. Vertex filed a notice regarding the discontinuance of its international services on July 21, 2021, under section 63.19. On August 12, 2021, Vertex filed an amendment to its application to discontinue domestic services and a supplement to its notice regarding discontinuance of its international services to reflect that Vertex would not discontinue service until it has fully met the requirements of the Commission's rules.

15. **FCC Authorizations.** Upon the Commission's approval of Vertex's discontinuance request, the Company will surrender its international and domestic Section 214 authorizations, discontinue all of the Company's services provided under Title II of the Act, and not offer services provided under Title II of the Act without prior Commission approval.¹⁵

16. **Foreign Ownership.** Vertex agrees and represents that all ownership interests in Vertex that are held by Dr. Peng will be fully divested within thirty (30) calendar days after Vertex's Section 214 authorizations are surrendered by the Company in the manner described in paragraph 15.

17. **Transfer of Control.** Prior to the discontinuance of all services regulated under Title II of the Act as described in paragraph 14, Vertex shall not transfer control of the Company without prior Commission approval as specified in sections 63.03-63.04 and 63.24 of the Commission's rules.¹⁶

18. **Admission of Liability.** Vertex admits for the purpose of this Consent Decree and for Commission's civil enforcement purposes, and in express reliance on the provisions of paragraph 13 herein, that its actions described in paragraph 6, herein, violated the Section 214 Rules.

19. **Settlement Amount.** Vertex Telecom, Inc. will make a settlement payment to the United States Treasury in the amount of twenty-four thousand dollars (\$24,000) within thirty (30) calendar days of the Effective Date (Settlement Amount). Vertex Telecom, Inc. shall send notification of payment to the Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 45 L Street NE, Washington, DC 20554, with a copy submitted electronically to Jeffrey.Gee@fcc.gov, Kalun.Lee@fcc.gov, and William.Knowles-Kellett@fcc.gov on the date said payment is made. Payment of the Settlement Amount must be made by credit card, ACH (Automated Clearing House) debit from a bank account using the Commission's Fee Filer (the Commission's online payment system),¹⁷ or by wire transfer. The Commission no longer accepts settlement or penalty payments by check or money order. Below are instructions that payors should follow based on the form of payment selected:¹⁸

- (a) Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. A completed Form 159 must be faxed to the Federal Communications Commission at 202-418-2843 or e-mailed to RROGWireFaxes@fcc.gov on the same business day the wire transfer is initiated. Failure to provide all required information in Form 159 may result in payment not being recognized as having been received. When completing FCC Form 159, enter the Account Number in block number 23A (call sign/other ID), enter the letters "FORF" in block number 24A (payment type code), and enter in block number 11 the FRN(s) captioned above (Payor FRN).¹⁹ For additional detail and wire transfer instructions, go to <https://www.fcc.gov/licensing-databases/fees/wire-transfer>.

¹⁵ On January 14, 2021, Vertex Telecom, Inc. simultaneously filed two joint transfer of control applications, pursuant to Section 214 of the Act and sections 63.03, 63.04, and 63.24 of the Commission's rules. First, Jim Chiu and Sean Lin, together with Vertex Telecom, Inc. and Dr. Peng Holding, Inc. filed for authority to transfer control of the domestic and international Section 214 authorizations held by Vertex Telecom, Inc. from Jim Chiu and Sean Lin to Dr. Peng Holding, Inc. Second, to "unwind" the sale of Vertex Telecom, Inc. to Dr. Peng Holding, Inc. and divest all of Dr. Peng Holdings, Inc.'s interest and rights that it holds in Vertex Telecom, Inc., the parties filed an application for authority to transfer control of the Domestic and International Section 214 authorizations held by Vertex Telecom, Inc. back to Jim Chiu. Vertex will instead discontinue all services it offers pursuant to its Section 214 authorizations, surrender its Section 214 authorizations, and withdraw the aforementioned applications.

¹⁶ 47 CFR §§ 63.03-04; 63.24.

¹⁷ Payments made using the Commission's Fee Filer system do not require the submission of an FCC Form 159.

¹⁸ For questions regarding payment procedures, please contact the Financial Operations Group Help Desk by phone at 1-877-480-3201 (option #6), or by e-mail at ARINQUIRIES@fcc.gov.

¹⁹ Instructions for completing the form may be obtained at <http://www.fcc.gov/Forms/Form159/159.pdf>.

- (b) Payment by credit card must be made by using the Commission's Fee Filer website at <https://apps.fcc.gov/FeeFiler/login.cfm>. To pay by credit card, log-in using the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select "Pay bills" on the Fee Filer Menu, and select the bill number associated with the CD Acct. No. – the bill number is the CD Acct. No. with the first two digits excluded – and then choose the "Pay by Credit Card" option. IMPORTANT NOTE: there is a \$24,999.99 limit on credit card transactions.
- (c) Payment by ACH must be made by using the Commission's Fee Filer website at <https://apps.fcc.gov/FeeFiler/login.cfm>. To pay by ACH, log in using the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select "Pay bills" on the Fee Filer Menu and then select the bill number associated with the CD Acct. No. – the bill number is the CD Acct. No. with the first two digits excluded (e.g., NAL 1912345678 = FCC bill Number 12345678) – and choose the "Pay from Bank Account" option. Please contact the appropriate financial institution to confirm the correct Routing Number and the correct account number from which payment will be made and verify with that financial institution that the designated account has authorization to accept ACH transactions.

20. **Event of Default.** Vertex agrees that an Event of Default shall occur upon the failure by Vertex Telecom, Inc. to pay the full amount of the settlement payment on or before the due date specified in this Consent Decree.

21. **Interest, Charges for Collection, and Acceleration of Maturity Date.** After an Event of Default has occurred under this Consent Decree, the then unpaid amount of the Settlement Amount shall accrue interest, computed using the U.S. Prime Rate in effect on the date of the Event of Default plus 4.75 percent, from the date of the Event of Default until payment in full. Upon an Event of Default, the then unpaid amount of the Settlement Amount, together with interest, any penalties permitted and/or required by the law, including but not limited to 31 U.S.C. § 3717 and administrative charges, plus the costs of collection, litigation, and attorneys' fees, shall become immediately due and payable, without notice, presentment, demand, protest, or notice of protest of any kind, all of which are waived by Vertex.

22. **Waivers.** As of the Effective Date, Vertex waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order. Vertex shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Consent Decree or the Adopting Order, neither Vertex Telecom, Inc. nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and Vertex shall waive any statutory right to a trial *de novo*. Vertex hereby agrees to waive any claims it may otherwise have under the Equal Access to Justice Act²⁰ relating to the matters addressed in this Consent Decree.

23. **Severability.** The Parties agree that if any of the provisions of the Consent Decree shall be held unenforceable by any court of competent jurisdiction, such unenforceability shall not render unenforceable the entire Consent Decree, but rather the entire Consent Decree shall be construed as if not containing the particular unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly.

24. **Invalidity.** In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.

25. **Subsequent Rule or Order.** The Parties agree that if any provision of the Consent Decree conflicts with any subsequent Rule or Order adopted by the Commission (except an Order specifically

²⁰ See 5 U.S.C. § 504; 47 CFR §§ 1.1501–1.1530.

intended to revise the terms of this Consent Decree to which Vertex does not expressly consent) that provision will be superseded by such Rule or Order.

26. **Successors and Assigns.** Vertex agrees that the provisions of this Consent Decree shall be binding on its successors, assigns, and transferees.

27. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties with respect to the Investigation.

28. **Modifications.** This Consent Decree cannot be modified without the advance written consent of both Parties.

29. **Paragraph Headings.** The headings of the paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.

30. **Authorized Representative.** Each Party represents and warrants to the other that it has full power and authority to enter into this Consent Decree. Each person signing this Consent Decree on behalf of a Party hereby represents that he or she is fully authorized by the Party to execute this Consent Decree and to bind the Party to its terms and conditions.

31. **Counterparts.** This Consent Decree may be signed in counterpart (including electronically or by facsimile). Each counterpart, when executed and delivered, shall be an original, and all of the counterparts together shall constitute one and the same fully executed instrument.

Rosemary C. Harold
Chief
Enforcement Bureau

Date

Alice Ching
Chief Executive Officer
Vertex Telecom, Inc.

Date